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HUMAN RESOURCES MANAGEMENT

Employment of retirees

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/51/2), submitted in accordance with General Assembly resolution 49/222 B of 20 July 1995, in which the Assembly requested the Secretary-General to develop a comprehensive policy for the use of retirees and to report thereon to it at its fifty-first session. During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General who provided additional information.

2. The Advisory Committee believes that former staff members who have retired from the Organization should not be reappointed except under very exceptional and limited circumstances, as well as under strict monitoring and control by the Office of Human Resources Management. Paragraph 6 of document A/C.5/51/2 indicates that the Secretariat occasionally experiences the need for supplementing established staffing resources, on a short-term basis, to respond to specific mandates or requests, or to meet the demands of peak periods in areas subject to sharp and often unpredictable workload fluctuations.

3. The Committee agrees that there may be particular merit in using retired staff, on an exceptional and short-term basis, after having ascertained that all other options are unsuitable, particularly in relation to field mission service, in cases of major complex humanitarian emergencies or in assignments related to conference services. However, this resource should only be utilized under the oversight and control of the Office of Human Resources Management, which must ensure that the conditions enumerated in paragraphs 3 and 4 of the Secretary-General's report are strictly observed.

4. Section VII of the Secretary-General's report contains proposed arrangements for the use of retirees. The Advisory Committee finds these to be cumbersome and confusing.

5. The Advisory Committee believes that the simplest system is to continue the arrangements which have been in place, updated to take into account inflation since the $12,000 limit was set by the General Assembly in resolution 37/237 of 21 December 1982. For the reasons given in paragraphs 25 to 28 of the Secretary-General's report, the Advisory Committee believes that those retirees who are re-employed for conference servicing should continue to be exempt from the earnings limitation. However, a limit of up to six months during any calendar year should apply to all retirees temporarily hired for service with the United Nations. In this connection, the Advisory Committee was informed that, updated to 1996, the $12,000 limit set in 1982 would amount to approximately $22,000 per calendar year.

6. The Advisory Committee therefore recommends that the General Assembly set a ceiling across the board of $22,000 per calendar year for the employment of retired staff in receipt of a pension benefit from the United Nations Joint Staff Pension Fund, with the exception of staff used in conference servicing. However, no retired staff member should be employed for more than six months per year. In making this recommendation, the Advisory Committee stresses the exceptional nature of this practice, the importance of strictly adhering to those conditions listed in paragraphs 3 and 4 of the Secretary-General's report and, most important of all, the necessary approval, monitoring and control on the part of the Office of Human Resources Management.

7. Furthermore, the Advisory Committee recommends, as well, that the Secretary-General be requested to report every two years on the use of retired personnel, providing information concerning retirees recruited on a short-term basis, at all categories and levels, as well as under a special service agreement, such as that contained in document A/C.5/49/CRP.3 of 20 June 1995. The next report should thus cover the period from 1 January 1995 to 31 December 1996 and should be submitted, through the Advisory Committee, to the General Assembly at its fifty-second session. These biennial reports will also provide an opportunity to revise the limit of $22,000 in the future, if necessary.

8. The Advisory Committee also notes that, besides the conditions listed in paragraphs 3 and 4 of document A/C.5/51/2, part VIII of the report indicates the key role of the Integrated Management Information System (IMIS), biannual submission by programme managers at overseas duty stations of comprehensive reports on their use of retirees, and close cooperation with the United Nations Joint Staff Pension Fund, as mechanisms to make possible better monitoring and control of the employment of retirees. The Committee notes as well that the Pension Board did not make any formal recommendation to amend the Regulations of the Fund in response to the request of the General Assembly set out in its decision 50/485 of 7 June 1996, as indicated in paragraph 39 of the Secretary-General's report. In this regard, the General Assembly may wish to request the Pension Board to make its recommendation to the Assembly at its fifty-second session.

9. It is the view of the Advisory Committee that the over-recourse to retirees is symptomatic of poor management planning of the human resources of the Organization, it hinders the legitimate expectations of staff on board, as well as morale and career progression within the Organization. The Committee expects that all staff, including re-hired retirees, will be recruited in full compliance with the requirements of the Charter of the United Nations and relevant personnel policies and practices of the Organization. In this regard, the Committee notes from the information provided to it that there is a geographical imbalance among the staff re-hired.

10. Finally, the Committee must express some concern at the statement contained in paragraph 10 of the Secretary-General's report, which indicates that "under the current measures to deal with the Organization's financial constraints, it has been necessary to abandon all attempts to train suitably qualified outside recruits". It is the view of the Committee that the long-term effects of abandoning training programmes can only be detrimental to staff development in the Organization.